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JODY MAIER
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DIRECT DIAL
410-321-4665

March 14, 2005

Federal Communications Commission
Office of the Secretary
445 - 12th Street SW
Washington, D.C. 20554

Re: CC Docket No. 02-06
Request for Review/Letter of Appeal
Billed Entity Name: South Baltimore Learning Center
Service Provider: TRG Networking, Inc.

Dear Sir/Madam:

This Letter of Appeal is hereby respectfully submitted by TRG Networking, Inc. ("TRG") to request a review by the Federal Communications Commission ("FCC") of the Administrator's Decisions on Appeal, dated January 18, 2005 and collectively attached hereto as Exhibit 1, of the Schools and Libraries Division (the "SLD") of the Universal Service Administrative Company ("USAC") original decision to "rescind in full" the funding requests listed below because TRG's client, the South Baltimore Learning Center ("SBLC") was unable to provide evidence that it had an approved technology plan as required by the rules of the SLD Universal Service Support Mechanism (the "E-rate Program"):

1. Billed Entity Name: South Baltimore Learning Center
Form 471 Application Number: 125549
Funding Request Number: 184078
SPIN: 143011962
Service Provider: TRG Networking
Billing Account Number: (not indicated)
Amount: \$ 1,350.00
2. Billed Entity Name: South Baltimore Learning Center
Form 471 Application Number: 192919
Funding Request Number: 414821
SPIN: 143011962
Service Provider: TRG Networking
Billing Account Number: 4106254215
Amount: \$ 12,588.75
3. Billed Entity Name: South Baltimore Learning Center

Form 471 Application Number: 245858
Funding Request Number: 596469
SPIN: 143011962
Service Provider: TRG Networking
Billing Account Number: SOU-01
Amount: \$ 4,438.13

4. Billed Entity Name: South Baltimore Learning Center
Form 471 Application Number: 314139
Funding Request Number: 823699
SPIN: 143011962
Service Provider: TRG Networking
Billing Account Number: SOU-01
Amount: \$ 8,370.50

As described below, TRG respectfully requests the FCC reverse the Administrator's decision with respect to the above-referenced funding requests because (1) the SLD submitted documentation to TRG showing that the SBLC had an approved technology plan; (2) TRG properly and reasonably relied upon its regular course of dealing with the SLD in receiving Funding Commitment Decisions, performing the approved work, and then receiving payment for such work from SLD; (3) TRG was entirely unaware of any deficiencies with SBLC's Technology Plan as TRG was not involved in the drafting or submission of such a plan and, again, TRG had received notification from the SLD that the SBLC had an approved Technology Plan; (4) the SBLC has taken all possible steps to remedy its prior oversight with regard to the Technology Plan and, in fact, has received retroactive approval of its technology plans for all of the four funding years in question; and (5) injustice would result if TRG is required to reimburse the funds it properly received for completing the work approved by SLD.

By way of background, TRG is a small company (less than 20 full-time employees) that provides computer networking services and sells computer hardware and software to businesses in the Baltimore metropolitan area. TRG began providing networking services to the SBLC through the E-Rate program in 1999. For funding year 07/01/99-06/30/2000, TRG received a Form 486 Notification Letter from the SLD showing a Funding Commitment Decision of \$10,080.00. See attached Exhibit 2. No reference is made to a technology plan in that letter.¹ TRG properly performed services based on the Funding Commitment Decision and was paid the appropriate monies by SLD.

For the next funding year of 07/01/2000 - 06/30/2001, another Funding Commitment Decision in the amount of \$15,838.20 was issued from the SLD for TRG to provide services to the

¹While TRG is unaware of the specifics of what happened, based on documents provided to it by the SBLC, it appears that the funding commitment for the 1999-2000 funding year was appealed and "additional funding" was granted.

SBLC. No reference was made to any technology plan (or the lack thereof) in any documents received by TRG. TRG provided the approved services and received the committed payment from the SLD. See attached Exhibit 3.

For funding year 2001-2002, TRG received two funding commitment decision letters. See attached Exhibits 4 and 5. The first of these two letters is dated September 4, 2001. In the Funding Commitment Report there is a line stating: **TECHNOLOGY PLAN APPROVAL STATUS: APPROVED**. See attached Exhibit 6. Never before had any Funding Commitment Letter received by TRG made reference, in any way, to any Technology Plan. This "approval" statement directly communicated to TRG from SLD that there was an approved technology plan in place. Other than that single commitment letter stating that the SBLC had an approved technology plan, no other correspondence received by TRG, ever referenced a technology plan, let alone the fact that the SBLC did not have an approved plan and therefore the services provided would not be covered. To the contrary, TRG performed the requested services and received payment from the SLD for having done so.

For funding year 07/01/2002-06/30/2003, another Funding Commitment Decision was issued from the SLD in the amount of \$20,015.97 for TRG to provide services to the SBLC. In providing this funding commitment, there is no mention made in the November 13, 2002 letter (including all attachments) indicating that a Technology Plan had not been approved (let alone not submitted) by the SBLC. Indeed, there is no reference made at all to a technology plan in that letter. See attached Exhibit 7. Thus, TRG reasonably understood that, if any Technology Plan was required, the Plan that was approved the year before was valid and still remained in effect. TRG performed the services requested and the SLD disbursed the funded amount to TRG.

As the above factual recitation and attached documents confirm, TRG received advance approval for the services it performed, it performed those services, and it received the funded amounts from the SLD. It was not until funding year 2001-2002 that TRG had any knowledge of a Technology Plan. TRG first learned of such a Plan when the Funding Commitment Letter for that year showed that the Technology Plan had been APPROVED.

Severe injustice will result if TRG is required to reimburse the monies paid to it by the SLD. For four years, TRG reasonably and properly relied on its regular course of dealings with the SBLC and the SLD in performing the approved services and being paid accordingly. It cannot be disputed that TRG provided the services for which it received payment from SLD. As a small company, TRG would suffer substantial hardship if it was required, based on a technical oversight by the SBLC and/or the SLD, **about which TRG had no knowledge or input**, to return monies it properly earned for work it diligently performed over many years. Indeed, the need to avoid this very injustice is referenced by the SLD in an audit report authored by Mr. George McDonald, Vice President of the Schools and Libraries Division. Mr. McDonald writes:

Applicant Action

In certain circumstances, SLD is required to seek recovery for an issue over which the service provider had no knowledge or control.

In such cases it may be appropriate to seek recovery from the applicant. As the vendor has no accountability for the technology plan, this may be such a case. Recoveries from the applicant must be approved by the FCC on a case-by-case basis. Accordingly, SLD will seek guidance from the FCC regarding the recovery for this finding.

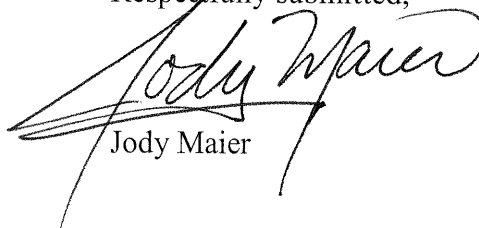
See attached Exhibit 8. TRG submits that it had no involvement in, control over or accountability for the SBLC's Technology Plan. As such, it is the SBLC (as applicant) to whom the SLD should turn for recovery should such a recovery be deemed appropriate.

This brings us to the final question of whether a recovery is even warranted in this matter. As discussed at length in the SBLC's Request for Review/Request for Waiver letters submitted to the FCC dated February 17, 2005 (and hereby incorporated by reference as Exhibit 9) addressing these very same Commitment Adjustment Letters, it appears that the SBLC substantially complied with the regulations of the E-rate Program. First, the SBLC had a Technology Plan throughout the relevant years which was prepared in advance of the SBLC receiving any services reimbursed under the E-rate program. Second, the SBLC submitted the Technology Plan to the Maryland State Department of Education prior to receiving any services for which the SBLC sought reimbursement under the E-rate program. Third, the on-going approvals and disbursements by the SLD reasonably led the SBLC (and TRG, for that matter) to believe the Technology Plan was approved. Fourth, the SBLC has submitted and received retroactive approval of the very Technology Plans at issue. Fifth, services received by the SBLC from TRG were performed in accordance with the Technology Plan.

For all of the foregoing reasons, TRG Networking, Inc. respectfully requests that the FCC reverse the decision of the Administrator and either approve the funding paid to TRG for services provided to the South Baltimore Learning Center or, at a minimum recognize that TRG, as the service provider, is not responsible for reimbursement in this case as it had no accountability for, knowledge of or control over the SBLC's Technology Plan.

Should the FCC have any questions or require further information, please do not hesitate to contact me (at the address and phone number listed above) or Ms. Toni Rosen, President of TRG Networking, Inc. at (410)363-6980.

Respectfully submitted,



Jody Maier

cc: Ms. Toni Rosen

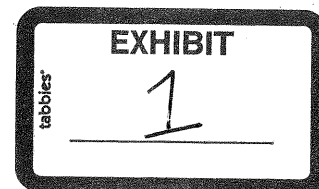


Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 1999-2000

January 18, 2005

Jody Maier
Levin & Gann
Nottingham Centre
502 Washington Avenue, 8th Floor
Towson, MD 21204



Re: South Baltimore Learning Center

Re: Billed Entity Number: 196460
471 Application Number: 125549
Funding Request Number(s): 184078
Your Correspondence Dated: July 22, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Funding Year 1999 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 184078
Decision on Appeal: **Denied in full**
Explanation:

- On appeal, you seek reversal of the SLD's decision with respect to the funding request based on the fact that the South Baltimore Learning Center (SBLC) was unable to provide evidence of an approved technology plan as required by the SLD. You further affirm that TRG acted in good faith in delivering the services and was unaware of SBLC deficiencies with the technology plan; furthermore TRG received notification from the SLD that the SBLC had an approved Technology plan. Finally, the SBLC has informed TRG that it is currently working to cure the very deficiency cited in the Commitment Adjustment Letters.
- Upon review of the USAC Internal Audit Division Report that was forwarded to the SLD, it was determined that SBLC was unable to provide evidence of an approved technology plan as required by the program rules. Additionally, SBLC affirmed, in a phone conversation, that it never received a technology plan

approval letter. In accordance with the rules of this Support Mechanism, a technology plan must be in place and approved prior to the submission of the Form 486 or the date the services begin in order to receive discounts on services other than basic local and long distance telephone service. Since the above referenced FRN is not a request for basic local or long distance service an approved technology plan was required.

- The SBLC Form 471 requested funding for products and/or services other than basic local and long distance telephone service. FCC rules require applicants to certify that the entities receiving products and/or services other than basic telephone service are covered by an individual and/or higher-level technology plan that has been, or is in the process of being approved. 47 C.F.R. § 54.504(b)(2)(vii); *See Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 Block 6, item 26, 27 (FCC Form 471).*

On the Form 471, SBLC certified that the recipients of products and/or service were covered by an individual and/or higher-level technology plan and that the technology plan had been approved or was in the process of being approved. During the audit of the school the auditors requested that SBLC provide a copy of the approved technology plan. SBLC failed to provide a copy of the technology plan. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the Federal Communications Commission (FCC). For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2000-2001

January 18, 2005

Jody Maier
Levin & Gann
Nottingham Centre
502 Washington Avenue, 8th Floor
Towson, MD 21204

Re: South Baltimore Learning Center

Re: Billed Entity Number: 196460
471 Application Number: 192919
Funding Request Number(s): 414821
Your Correspondence Dated: July 22, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Funding Year 2000 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 414821
Decision on Appeal: **Denied in full**
Explanation:

- On appeal, you seek reversal of the SLD's decision with respect to the funding request based on the fact that the South Baltimore Learning Center (SBLC) was unable to provide evidence of an approved technology plan as required by the SLD. You further affirm that TRG acted in good faith in delivering the services and was unaware of SBLC deficiencies with the technology plan; furthermore TRG received notification from the SLD that the SBLC had an approved Technology plan. Finally, the SBLC has informed TRG that it is currently working to cure the very deficiency cited in the Commitment Adjustment Letters.
- Upon review of the USAC Internal Audit Division Report that was forwarded to the SLD, it was determined that SBLC was unable to provide evidence of an approved technology plan as required by the program rules. Additionally, SBLC affirmed, in a phone conversation, that it never received a technology plan

approval letter. In accordance with the rules of this Support Mechanism, a technology plan must be in place and approved prior to the submission of the Form 486 or the date the services begin in order to receive discounts on services other than basic local and long distance telephone service. Since the above referenced FRN is not a request for basic local or long distance service an approved technology plan was required.

- The SBLC Form 471 requested funding for products and/or services other than basic local and long distance telephone service. FCC rules require applicants to certify that the entities receiving products and/or services other than basic telephone service are covered by an individual and/or higher-level technology plan that has been, or is in the process of being approved. 47 C.F.R. § 54.504(b)(2)(vii); *See Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 Block 6, item 26, 27 (FCC Form 471).*

On the Form 471, SBLC certified that the recipients of products and/or service were covered by an individual and/or higher-level technology plan and that the technology plan had been approved or was in the process of being approved. During the audit of the school the auditors requested that SBLC provide a copy of the approved technology plan. SBLC failed to provide a copy of the technology plan. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the Federal Communications Commission (FCC). For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2001-2002

January 18, 2005

Jody Maier - Levin & Gann
Nottingham Centre
502 Washington Avenue, 8th Floor
Towson, MD 21204

Re: South Baltimore Learning Center

Re: Billed Entity Number: 196460
 471 Application Number: 245858
 Funding Request Number(s): 596469
 Your Correspondence Dated: July 22, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Funding Year 2001 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 596469
Decision on Appeal: **Denied in full**
Explanation:

- On appeal, you seek reversal of the SLD's decision with respect to the funding request based on the fact that the South Baltimore Learning Center (SBLC) was unable to provide evidence of an approved technology plan as required by the SLD. You further affirm that TRG acted in good faith in delivering the services and was unaware of SBLC deficiencies with the technology plan; furthermore TRG received notification from the SLD that the SBLC had an approved Technology plan. Finally, the SBLC has informed TRG that it is currently working to cure the very deficiency cited in the Commitment Adjustment Letters.
- Upon review of the USAC Internal Audit Division Report that was forwarded to the SLD, it was determined that SBLC was unable to provide evidence of an approved technology plan as required by the program rules. Additionally, SBLC

affirmed, in a phone conversation, that it never received a technology plan approval letter. In accordance with the rules of this Support Mechanism, a technology plan must be in place and approved prior to the submission of the Form 486 or the date the services begin in order to receive discounts on services other than basic local and long distance telephone service. Since the above referenced FRN is not a request for basic local or long distance service an approved technology plan was required.

- The SBLC Form 471 requested funding for products and/or services other than basic local and long distance telephone service. FCC rules require applicants to certify that the entities receiving products and/or services other than basic telephone service are covered by an individual and/or higher-level technology plan that has been, or is in the process of being approved. 47 C.F.R. § 54.504(b)(2)(vii); *See Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 Block 6, item 26, 27 (FCC Form 471).*

On the Form 471, SBLC certified that the recipients of products and/or service were covered by an individual and/or higher-level technology plan and that the technology plan had been approved or was in the process of being approved. During the audit of the school the auditors requested that SBLC provide a copy of the approved technology plan. SBLC failed to provide a copy of the technology plan. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the Federal Communications Commission (FCC). For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2002-2003

January 18, 2005

Jody Maier
Levin & Gann
Nottingham Centre
502 Washington Avenue, 8th Floor
Towson, MD 21204

Re: South Baltimore Learning Center

Re: Billed Entity Number: 196460
471 Application Number: 314139
Funding Request Number(s): 823699
Your Correspondence Dated: July 22, 2004

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Funding Year 2002 Commitment Adjustment Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 823699
Decision on Appeal: **Denied in full**
Explanation:

- On appeal, you seek reversal of the SLD's decision with respect to the funding request based on the fact that the South Baltimore Learning Center (SBLC) was unable to provide evidence of an approved technology plan as required by the SLD. You further affirm that TRG acted in good faith in delivering the services and was unaware of SBLC deficiencies with the technology plan; furthermore TRG received notification from the SLD that the SBLC had an approved Technology plan. Finally, the SBLC has informed TRG that it is currently working to cure the very deficiency cited in the Commitment Adjustment Letters.
- Upon review of the USAC Internal Audit Division Report that was forwarded to the SLD, it was determined that SBLC was unable to provide evidence of an approved technology plan as required by the program rules. Additionally, SBLC

affirmed, in a phone conversation, that it never received a technology plan approval letter. In accordance with the rules of this Support Mechanism, a technology plan must be in place and approved prior to the submission of the Form 486 or the date the services begin in order to receive discounts on services other than basic local and long distance telephone service. Since the above referenced FRN is not a request for basic local or long distance service an approved technology plan was required.

- The SBLC Form 471 requested funding for products and/or services other than basic local and long distance telephone service. FCC rules require applicants to certify that the entities receiving products and/or services other than basic telephone service are covered by an individual and/or higher-level technology plan that has been, or is in the process of being approved. 47 C.F.R. § 54.504(b)(2)(vii); *See* Schools and Libraries Universal Service, Services Ordered and Certification Form, OMB 3060-0806 Block 6, item 26, 27 (*FCC Form 471*).

On the Form 471, SBLC certified that the recipients of products and/or service were covered by an individual and/or higher-level technology plan and that the technology plan had been approved or was in the process of being approved. During the audit of the school the auditors requested that SBLC provide a copy of the approved technology plan. SBLC failed to provide a copy of the technology plan. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the Federal Communications Commission (FCC). For appeals that have been denied in full, partially approved, dismissed, or cancelled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company



UNIVERSAL SERVICE
ADMINISTRATIVE CO.

Box 125- Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

SCHOOLS AND LIBRARIES DIVISION

FORM 486 NOTIFICATION LETTER
(Funding Year 2: 07/01/1999 - 06/30/2000)

EXHIBIT

2

December 11, 2000

TRG Networking
Pinchas Fleischman
8422 Ballona Lane, Suite 102
Towson, MD 21204

Re: Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

This letter is to notify you that the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has received and accepted FCC Form(s) 486 (Receipt of Service Confirmation Form) from Billed Entities who filed FCC Form(s) 471 listing your company's Service Provider Identification Number (SPIN). You may now begin to submit invoices to the SLD for the services covered by the Form(s) 486. You may submit invoices only after you have provided the service and billed the applicant.

PURPOSE OF THIS FORM 486 NOTIFICATION LETTER

This "Form 486 Notification Letter" informs you that one or more Form(s) 486 listing your company as a service provider has been received by the SLD. As described in the "Explanation of Information Provided" below, this letter contains several important pieces of information from each such Form 486. In general, the initial Form 486 notification letter sent to you for a particular funding request number (FRN) will set forth the date that services included within that particular funding request began to be delivered to the Applicant. (An FRN is the number assigned to an Applicant's request for discounts on a set of services identified in a single line on the 471 application.) This date is the earliest date for which services provided by your company are eligible for reimbursement of discounts from the SLD and the Universal Service Administrative Company (USAC) and for which invoices will be accepted by the SLD for discounts.

Previously, your company should have received Funding Commitment Decision Letters (FCDL) from the SLD notifying you of the funding commitment decisions on funding requests of E-rate Applicants that listed your company as the service provider. These FCDLs informed you of the E-rate Applicants that received approval from the SLD for discounts on eligible services to be provided by your company. They also explained that E-rate Applicants must file a Form 486 to confirm receipt of services approved for discounts. Once the Form 486 is properly filed, the SLD may start receiving invoices from service providers for discounts on services previously delivered.

Please note that SLD encourages service providers to work with their customers to

establish whether discounts will appear on bills or whether customers prefer a reimbursement process. SLD will process either reimbursements based on Form 472 (BEAR) or discounts based on Form 474(SPIF) for a given FRN.

ELECTRONIC FILING OF INVOICES

Service providers may invoice the SLD either by submitting the SLD Service Provider Invoice Form by mail or by filing electronically. SLD strongly encourages electronic invoicing for providers who will repeatedly bill the SLD. Below is a brief description of the process for electronic submissions.

1. Service providers should send, via e-mail, a message to serviceprovider@sl.universalservice.org indicating the E-mail address where they wish to receive electronic notification of funding commitments, receipt of Forms 471 filed, and future electronic versions of this Form 486 Notification Letter. The SLD will accept electronic invoices from multiple employees within a company. The electronic notification of receipt of the invoice file, and other electronic transmissions regarding each specific invoice file will be sent to the E-mail address contained within the filename of each specific electronic invoice file received.
2. Upon receipt of your E-mail indicating a desire to invoice the SLD electronically, SLD's invoice manager will send to you electronically information to establish an electronic invoicing relationship.
3. You will be required to obtain Pretty Good Privacy(PGP) Software in order to encrypt electronic invoice submissions prior to submission. Once installed, the service provider may use PGP to send and/or receive encrypted files.
4. The service provider will be instructed to create its Invoice Form in a comma delimited format, encrypt it using PGP, and send it as an e-mail attachment to an e-mail address which will be specified in the instruction materials.
5. The attachment will be received by the SLD, automatically decrypted via PGP and saved into a specific directory.
6. The file will then be processed by an in-house application that will check for errors.
7. Files successfully transmitted will be promptly validated and a message will be sent back to the originator stating that the invoice has been received. In the event of transmission or technical errors, an error report will be sent back to the originator with a list of all errors associated with the invoice. Once the errors have been corrected, the invoice should be resubmitted.

MANUAL FILING OF INVOICES

Service providers who wish to file manually their invoices may obtain FCC Form 474 (Service Provider Invoice Form) at the SLD web site, at www.sl.universalservice.org or by calling the SLD Client Service Bureau at 888-203-8100.

REVIEW OF INVOICES FOR COMPLIANCE WITH PROGRAM RULES

Once an invoice is in our system, it is reviewed (electronically and, in some cases, manually) for compliance with program rules. Applicants who submit BEARs or service providers who submit SPIFs may be contacted by our Program Integrity Assurance team to provide information in support of the invoice.

INVOICE GUIDELINES AND ANNUAL CERTIFICATION

Each Form 486 will indicate the Funding Year to which it pertains. FRNs listed on the Form 486 will all be from that same Funding Year.

Invoices may include as many line items as service providers wish, covering many customers or just one, and covering as long or short a period as needed for recovering discounts on services rendered. No payments will be made for services delivered prior to the starting date of the pertinent Funding Year, or the actual service start date on the Form 486, whichever is later, or for services delivered after the end of the pertinent Funding Year.

NOTE: All service providers submitting invoices to the SLD for payment are required to submit by mail, once each funding year, an FCC Form 473, Service Provider Annual Certification signed by an officer or employee of the service provider who has authority to certify on behalf of the company, to confirm compliance with program rules. This form can be found on the SLD web site at www.sl.universalservice.org/Download/473.pdf.

NOTICE ON RULES AND FUNDS AVAILABILITY

FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that the SLD may undertake to assure that funds are being used in compliance with program rules. If the SLD discovers that funds are not being used in compliance with program rules, Applicants will be subject to enforcement actions and other means of recourse by the SLD and other appropriate enforcement authorities. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

EXPLANATION OF INFORMATION PROVIDED IN THE FORM 486 NOTIFICATION LETTER

On the following pages is a list of ERNs under which you are providing service and for which the Applicant has notified us that it is receiving service. To help you understand this list, the following definitions are provided. Most of these are identical to the definitions that were included in the Form 471 Receipt Acknowledgement and Funding Commitment Decision Letters earlier sent to you.

- * Funding Request Number (ERN): A Funding Request Number is assigned by the SLD to each line item request on the Applicant's Form 471, once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount requests submitted on a Form 471.
- * Form 471 Application Number: A unique identifier assigned to a Form 471 application by the SLD.
- * Form 470 Application Number: A unique identifier assigned by the SLD to a Form 470 as listed on the Form 471.
- * Name of 471 Applicant: Name of entity that applied to the SLD, from Item 1 of the Form 471.
- * Address of 471 Applicant: Address of entity that applied to the SLD, from Item 1 of the Form 471. Includes street address and state, city and zip code.
- * Site Identifier: The Entity Number listed in Form 471 will be listed. This will appear only for "Site Specific" ERNs.
- * Name of Contact Person: The name of the contact person from the Form 471.
- * Preferred Mode of Contact: e.g., telephone, fax, E-mail or standard mail.
- * Contact Information: e.g., telephone number, fax number, E-mail address or working address based on preferred mode of contact.
- * Name of Form 486 Contact Person: The name of the contact person from Block 1 of the Form 486.
- * Address of Form 486 Contact: The address of the contact person from Block 1 of the Form 486.
- * City of Form 486 Contact: The City of the contact person from Block 1 of the Form 486.
- * State of Form 486 Contact: The State of the contact person from Block 1 of the Form 486.

- * ZIP of Form 486 Contact: The Zip code of the contact person from Block 1 of the Form 486.
- * FAX of Form 486 Contact: The Fax number of the contact person from Block 1 of the Form 486.
- * Telephone of Form 486 Contact: The telephone number of the contact person from Block 1 of the Form 486.
- * E-mail of the Form 486 Contact: The e-mail address of the contact person from Block 1 of the Form 486.
- * Funding Year: The funding year for which discounts have been requested.
- * Contract Number: The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- * Services Ordered: The category of service ordered from the service provider, as shown on Form 471.
- * Billing Account Number: The account number that you have established with your customer for billing purposes. This will be present only if a Billing Account Number was provided on the Form 471.
- * Actual Service Start Date: The date that the Form 471 Applicant has reported, on the Form 486, that service actually started. This is the earliest date of service for which the SLD will reimburse the service provider for discounted services.
- * Contract Expiration Date: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.
- * Total Program Year Pre-Discount Amount: The total eligible recurring and non-recurring charges under the program for the pertinent Funding Year.
- * Applicant's Approved Discount Percentage: This is the discount rate that the SLD approved for this service. The Discount Amount Billed to SLD should never be greater (and sometimes should be less) than the Total(Undiscounted) Amount for Service times the Approved Discount Amount.
- * Funding Commitment Decision: This represents the total amount of funding that the SLD is now reserving to reimburse service providers for the discounts for this service. Whatever amount is listed here, it is important that you and the 471 Applicant both recognize that the SLD should be invoiced and the SLD may direct disbursement of the discounts only on eligible, approved services actually delivered and installed.

FORM 486 NOTIFICATION LETTER FUNDING COMMITMENT SYNOPSIS (Funding Year 2)

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 184078
Form 471 Application Number: 125549
Form 470 Application Number: 496850000220414
Name of 471 Applicant: SOUTH BALTIMORE LEARNING CENTER
Applicant Street Address: 28 EAST OSTEND ST
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21230
Site Identifier: 196460
Name of Contact Person: Jim Fragomeni
Preferred Mode of Contact: E-MAIL
Contact Information: JFragomeni@aol.com
Name of Form 486 Contact Person: JIM FRAGOMENI
Address of Form 486 Contact: 28 EAST OSTEND ST
City of Form 486 Contact: BALTIMORE
State Code of Form 486 Contact: MD
Zip of Form 486 Contact: 21230
FAX of Form 486 Contact: 410-727-8316
Telephone of Form 486 Contact: 410-625-4215
E-mail Address of Form 486 Contact: JFragomeni@aol.com
Funding Year: 07/01/1999 - 06/30/2000
Contract Number: 001
Services Ordered: Internal Connections
Billing Account Number:
Actual Service Start Date: 07/01/1999
Contract Expiration Date: 09/30/2000
Total Program Year Pre-discount Amount: \$11,200.00
Applicant's Approved Discount Percentage: 90%
Funding Commitment Decision: \$10,080.00



UNIVERSAL SERVICE
ADMINISTRATIVE CO.

Box 125- Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

SCHOOLS AND LIBRARIES DIVISION

FORM 500 SERVICE PROVIDER NOTIFICATION
(Funding Year 2: 07/01/1999 - 06/30/2000)

December 11, 2000

TRG Networking
Pinchas Fleischman
8422 Ballona Lane, Suite 102
Towson, MD 21204

Re: Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962
Funding Year 2: 07/01/1999 - 06/30/2000

This letter is to notify you that the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has received and accepted FCC Form(s) 500 (Adjustment to Funding Commitment and Modification to Receipt of Service Confirmation Form) from Billed Entities who filed FCC Form(s) 471 listing your company's Service Provider Identification Number (SPIN). The Form 500 information will affect information previously reported to you.

As described in the "Funding Commitment Synopsis Explanation" below, this letter confirms several important pieces of information from each Form 500. Each Funding Commitment Synopsis relates to a particular funding request number (FRN) and will set forth the modifications requested by the Applicant for that FRN. (An FRN is the number assigned to each request in Block 5 of the Applicant's Form 471 once an application has been processed.) Changes may include:

- * change of the previously reported service start date;
- * change of the previously reported contract expiration date;
- * cancellation of an FRN;
- * reduction of an FRN.

EXPLANATION OF INFORMATION PROVIDED IN THE FORM 500 NOTIFICATION LETTER

On the following pages is a list of FRNs under which you are providing service and for which the Applicant has notified us that it is making a modification. To help you understand this list, the following definitions are provided. Most of these are identical to the definitions that were included in the Funding Commitment Decision Letters (FCDL) earlier sent to you.

- * Funding Request Number (FRN): A Funding Request Number is assigned by the SLD to each request in Block 5 on the Applicant's Form 471, once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount requests submitted on a Form 471.

- * Form 471 Application Number: A unique identifier assigned to a Form 471 application by the SLD.
- * Name of 471 Applicant: Name of entity that applied to the SLD, from Item 1 of the Form 471.
- * Entity Number: A unique identifier assigned by the SLD for the Applicant.
- * Name of Form 500 Contact Person: The name of the contact person from Block 1 of the Form 500.
- * Form 500 Contact Information: Mailing address from Block 1 of the Form 500, telephone number, fax number, and E-mail address.
- * Funding Year: The funding year for which the modified FRN was requested.
- * Billing Account Number: The account number that you have established with your customer for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.
- * Service Start Date Change (SHOWS ONLY IF REQUESTED): The Original Service Start Date (as provided on a previously filed Form 486) and the New Service Start Date.
- * Contract Expiration Date Change (SHOWS ONLY IF REQUESTED): The Original Contract Expiration Date as shown on the Form 471 and the New Contract Expiration Date. A contract extension does not result in more money being committed to the FRN; the funding remains at the level provided in the Funding Commitment Decision Letter, but an extension may provide more time for the provision of service.
- * Cancel FRN (SHOWS ONLY IF REQUESTED): The Original Commitment Amount as shown in the Funding Commitment Decision Letter (FCDL) and a New Commitment Amount of \$0. Canceling an FRN is an irrevocable action.
- * Reduce FRN (SHOWS ONLY IF REQUESTED): The Original Commitment Amount as shown in the Funding Commitment Decision Letter (FCDL) and the New Commitment Amount After Reduction. The New Commitment Amount will become the new cap for the FRN.

FORM 500 NOTIFICATION LETTER FUNDING COMMITMENT SYNOPSIS
(Funding Year 2: 07/01/1999 - 06/30/2000)

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 183848
Form 471 Application Number: 125472
Name of 471 Applicant: GHCC LITERACY PROGRAM
Billed Entity Number: 200317
Name of Form 500 Contact Person: JIM FRAGOMENI
Form 500 Contact Information: 3501 N. CHARLES ST., BALTIMORE, MD 21218,
410-261-3524, 410-889-8744, JFragomeni@aol.com
Funding Year 2: 07/01/1999 - 06/30/2000
Billing Account Number: N/A
Contract Expiration Date Change: 06/30/2000; 09/30/2000

Funding Request Number: 184078
Form 471 Application Number: 125549
Name of 471 Applicant: SOUTH BALTIMORE LEARNING CENTER
Billed Entity Number: 196460
Name of Form 500 Contact Person: JIM FRAGOMENI
Form 500 Contact Information: 28 EAST OSTEND ST, BALTIMORE, MD 21230, 410-625-4215,
410-727-8316, JFragomeni@aol.com
Funding Year 2: 07/01/1999 - 06/30/2000
Billing Account Number: N/A
Contract Expiration Date Change: 06/30/2000; 09/30/2000

USAC

UNIVERSAL SERVICE
ADMINISTRATIVE CO.

Box 125 - Correspondence Unit
80 South Jefferson Road
Whippany, NJ 07981

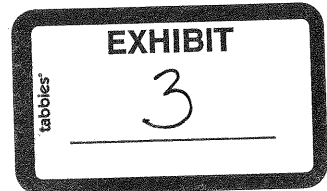
FY 2001 YEAR 3

SCHOOLS AND LIBRARIES DIVISION

FUNDING COMMITMENT DECISION LETTER

(Funding Year 3: 07/01/2000 - 06/30/2001)

April 14, 2000



SOUTH BALTIMORE LEARNING CENTE
Jim Fragomeni
28 EAST OSTEND ST
BALTIMORE, MD 21230-4245

Re: Form 471 Application Number: 192919
Funding Year 3: 07/01/2000 - 06/30/2001
Billed Entity Number: 196460

Thank you for your 2000-2001 E-rate application and for any assistance you provided throughout our review. We have completed review of your Form 471. This letter is to advise you of our decision(s).

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. We have reviewed each Discount Funding Request on your Form 471 application and have assigned a Funding Request Number (FRN) to each Block 5. The enclosed report includes a list of the FRNs from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step to facilitate receipt of discounts as featured in this letter will be to file an FCC Form 486 with the SLD. The Form 486 notifies the SLD to begin payment to your service provider and provides certified indication that your technology plan(s) has been approved. THE FORM 486 IS UNDER REVISION AND WILL BE MADE AVAILABLE AS SOON AS IT IS READY. Information will be posted on the SLD web site at www.sl.universalservice.org regarding the availability of this form for the funding period 07/01/2000 - 06/30/2001. As you complete Form 486, you should also contact your service provider to verify they have received notice from the SLD of your funding commitments. After the SLD processes your Form 486, we can begin processing invoices from your service provider(s) so they can be reimbursed for discounted services they have provided you.

TO APPEAL THESE FUNDING COMMITMENT DECISIONS

If you wish to appeal the Funding Commitment Decision(s) (FCD) indicated in this letter, your appeal must be made in writing and RECEIVED BY THE SLD at the address below WITHIN 30 DAYS OF THE ABOVE DATE ON THIS LETTER. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. Identify which FCD Letter you are appealing. Your letter of appeal must include the applicant name, the Form 471 Application Number, and the Billed Entity Number from the top of your FCD Letter.

3. Identify the particular Funding Request Number (FRN) that is the subject of your appeal. When explaining your appeal, include the precise language or text from the Funding Commitment Decision Letter that is at the heart of your appeal. By pointing us to the exact words that give rise to your appeal, the SLD will be able to more readily understand and respond appropriately to your appeal. Please keep your letter brief and to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an original authorized signature on your letter of appeal.

Please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Appeals submitted by fax, phone call, and e-mail CANNOT be processed. While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC): FCC, Office of the Secretary, 445-12th Street SW, Room TW-A325, Washington, DC 20554. Further information regarding filing an appeal directly with the FCC can be found in the "How to Apply, Step-by-Step" area of the SLD web site www.sl.universalservice.org.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Federal Communications Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or Service Provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel these funding commitments and seek repayment of any funds disbursed not in accordance with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

We look forward to continuing our work with you on connecting our schools and libraries through advanced telecommunications services.

Sincerely,

Kate L. Moore
President, Schools and Libraries Division, USAC

Enclosures

A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each E-rate funding request from your application. We are providing the following definitions.

- * **FUNDING REQUEST NUMBER (FRN):** A Funding Request Number is assigned by the SLD to each Block 5 of your Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.
- * **FUNDING STATUS:** Each FRN will have one of three definitions: "Funded," "Not Funded," or "As Yet Unfunded."
 1. An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
 2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules or, that the total amount of funds in the Universal Service Fund was insufficient to fund all requests.
 3. An FRN that is "As Yet Unfunded" reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for requests for internal connections at a particular discount level. For example, if your application included requests for discounts on both telecommunications services and internal connections, you might receive a letter with our funding commitment for your telecommunications funding requests and a message that your internal connections requests are "As Yet Unfunded." You would receive a subsequent letter(s) regarding the funding decision on your internal connections requests.
- * **SPIN (Service Provider Identification Number):** A unique number assigned by the Universal Service Administrative Company to service providers seeking payment from the Universal Service Fund for participating in the universal service support programs. A SPIN is also used to verify delivery of services and to arrange for payment.
- * **SERVICE PROVIDER NAME:** The legal name of the service provider.
- * **CONTRACT NUMBER:** The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.
- * **SERVICES ORDERED:** The type of service ordered from the service provider, as shown on Form 471.
- * **EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT:** The first possible date of service for which the SLD will reimburse service providers for the discounts for the service. Note: If the actual service start date provided on a Form 486 is later than this date, the actual service start date set forth in the Form 486 will be the effective date of the discount.
- * **CONTRACT EXPIRATION DATE:** The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.
- * **SITE IDENTIFIER:** The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.
- * **BILLING ACCOUNT NUMBER:** The account number that your service provider has established with you for billing purposes. This will be present only if a Billing Account Number was provided on Form 471.
- * **PRE-DISCOUNT AMOUNT:** Amount in Block 5, Item 23, Column I, Form 471, as determined through the application review process.
- * **DISCOUNT PERCENTAGE APPROVED BY THE SLD:** This is the discount rate that the SLD has approved for this service.
- * **FUNDING COMMITMENT DECISION:** This represents the total amount of funding that the

SLD has reserved to reimburse service providers for the approved discounts for this service through June 30, 2001. It is important that you and the service provider both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually rendered.

- * FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comments in the "Funding Commitment Decision" area.

FUNDING COMMITMENT REPORT

Form 471 Application Number: 192919

OK
Funding Request Number: 413501 Funding Status: Funded
SPIN: 143001401 Service Provider Name: Bell Atlantic - MD
Contract Number: T
Services Ordered: Telecommunications Services
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: N/A
Site Identifier: 196460
Billing Account Number: 4106254215
Pre-Discount Amount: \$13,900.00
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$12,510.00 - 471 approved as submitted

OK
Funding Request Number: 413582 Funding Status: Funded
SPIN: 143001197 Service Provider Name: MCI Communications Corporation
Contract Number: T
Services Ordered: Telecommunications Services
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: N/A
Site Identifier: 196460
Billing Account Number: 4106254215
Pre-Discount Amount: \$900.00
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$810.00 - 471 approved as submitted

OK
Funding Request Number: 413798 Funding Status: Funded
SPIN: 143004333 Service Provider Name: Bell Atlantic Internet Solutions, Inc.
Contract Number: MTM
Services Ordered: Internet Access
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: N/A
Site Identifier: 196460
Billing Account Number: 4106254215
Pre-Discount Amount: \$9,096.00
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$8,186.40 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: The dollars requested were reduced to remove: the ineligible products: email service and email setup.

Funding Request Number: 414380 Funding Status: Funded
SPIN: 143005588 Service Provider Name: CDW Computer Centers, Inc.
Contract Number: 011200
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2001
Site Identifier: 196460
Billing Account Number: 3368354
Pre-Discount Amount: \$13,275.36
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$11,947.82 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: The estimated one time charge was changed to reflect the documentation provided by the applicant

#1,242

\$14,517 ?

\$70,734.92

FUNDING COMMITMENT REPORT

Form 471 Application Number: 192919

OK
Funding Request Number: 414698 Funding Status: Funded
SPIN: 143005273 Service Provider Name: Interconnect Services, Inc.
Contract Number: 010400
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2001
Site Identifier: 196460
Billing Account Number: 4106254215
Pre-Discount Amount: \$23,825.00
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$21,442.50 - 471 approved as submitted

OK
Funding Request Number: 414821 Funding Status: Funded
SPIN: 143011962 Service Provider Name: TRG Networking
Contract Number: 011800
Services Ordered: Internal Connections
Earliest Possible Effective Date of Discount: 07/01/2000
Contract Expiration Date: 06/30/2001
Site Identifier: 196460
Billing Account Number: 4106254215
Pre-Discount Amount: \$17,598.00
Discount Percentage Approved by the SLD: 90%
Funding Commitment Decision: \$15,838.20 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: The estimated one time and/or monthly charge was changed to reflect the documentation provided by the applicant



Universal Service Administrative Company
Schools & Libraries Division

FUNDING COMMITMENT DECISION LETTER
(Funding Year 4: 07/01/2001-06/30/2002)

EXHIBIT

4

September 4, 2001

TRG Networking
Denis Kelley
8422 Bellona Lane
Suite 102
Towson, MD 21204

Re: Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Thank you for participating in the E-rate program for Funding Year 4 (07/01/2001 - 06/30/2002). This letter is your notification of our decision(s) regarding applications that listed your company's Service Provider Identification Number (SPIN) as providing service(s) eligible for discounts.

As was the case in previous program years, there are a number of steps that need to be completed in order to implement E-rate discounts. In an effort to expedite the process of implementing discounts, we are providing detailed information regarding the status of your customers' requests for discounts in the form of a series of Funding Commitment Reports. Attached are reports of our decisions made for customers listing your SPIN in their Form 471 applications. Each report contains detailed information extracted from the Applicant's Form 471, as well as an explanation of our decision regarding their Discount Funding Request.

NEXT STEPS

Once you've reviewed this letter, we urge you to contact your customers to begin any necessary arrangements regarding start of services, billing of discounts or any other administrative details for implementation of E-rate services. As a reminder, only services delivered in accordance with Federal Communications Commission (FCC) rules on service delivery periods are eligible for these discounts. Applicants have been encouraged to contact you regarding their E-rate commitments. After Applicants have received their Funding Commitment Decision Letter, they will be required to file FCC Form 486, "Receipt of Service Confirmation Form." We will send you a Form 486 Notification Letter when we receive a Form 486 from Applicants who cite your SPIN, and will also provide guidance on how to invoice the Schools and Libraries Division (SLD) for reimbursement of discounts for services listed in the respective Form 486. There is a new Form 486, dated July 2001 in the lower right corner, that MUST be used for Funding Year 4 and for any previous funding years once it becomes available. Subsequent submissions of earlier versions of the Form 486 will be returned to the Applicant and will not be able to be processed.

On December 21, 2000, the Children's Internet Protection Act was signed into law, and applicants will be required to use the Form 486 to certify their compliance status. Because of this new feature on the Form 486, you should carefully review the Form 486 Notification Letter(s) you receive to make sure no changes have occurred since this Funding Commitment Decision Letter. In order to receive discounts for Internet access and internal connections services under the universal service support mechanism, school and library authorities must certify that they are enforcing a policy of Internet safety that includes measures to block or filter Internet access for both minors and adults to certain visual depictions. For Funding Year 4, recipients are not required to have the policies and technology measure in place; they may certify that they are undertaking

necessary actions to put them in place for the following year.

Any appeal of the funding decisions detailed in a Funding Commitment Decision Letter must be received within 30 days of the date on the Funding Commitment Decision Letter. (Information on the appeal process can be found in the "How to Apply, Step-by-Step" area of the SLD web site, www.sl.universalservice.org) Therefore, prompt communication with your customer is essential.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Federal Communications Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or Service Provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel those funding commitments and seek repayment of any funds disbursed not in accordance with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Thank you for the work you are doing to connect our schools and libraries through advanced telecommunications services.

Sincerely,

Schools and Libraries Division
Universal Service Administrative Company

Enclosures

A GUIDE TO THE FUNDING COMMITMENT REPORT

Attached to this letter will be a report for each E-rate funding request featuring your SPIN. We are providing the following definitions.

FUNDING REQUEST NUMBER (FRN): A Funding Request Number is assigned by the SLD to each Block 5 of the Applicant's Form 471 once an application has been processed. This number is used to report to Applicants and Service Providers the status of individual discount funding requests submitted on a Form 471.

FORM 471 APPLICATION NUMBER: A unique identifier assigned to a Form 471 application by the SLD (from Item 3b of the Form 471).

FORM 470 APPLICATION NUMBER: A unique identifier assigned by the SLD to a Form 470 as listed in Block 5, Item 12 of the Form 471.

NAME OF 471 APPLICANT: Name of entity that applied to the SLD, from Item 1 of the Form 471.

ADDRESS OF 471 APPLICANT: Address of entity that applied to the SLD from Item 1 of the Form 471. Includes street address and state, city and zip code.

ENTITY NUMBER: A unique identifier assigned by the SLD for the Applicant.

NAME OF CONTACT PERSON: The name of the contact person from Block 1, Item 6 of the Form 471.

PREFERRED MODE OF CONTACT: i.e., telephone, fax, E-mail or standard mail.

CONTACT INFORMATION: i.e., telephone number, fax number, E-mail address, or mailing address based on preferred mode of contact.

FUNDING YEAR: The funding year for which discounts have been requested.

FUNDING STATUS: Each FRN will have one of three definitions: "Funded," "Not Funded," or "As Yet Unfunded." This service provider notification will not include FRNs in the "As Yet Unfunded" status.

1. An FRN that is "Funded" will be approved at the level that SLD determined is appropriate for that item. The funding level will generally be the level requested unless the SLD determines during the application review process that some adjustment is appropriate.
2. An FRN that is "Not Funded" is one for which no funds will be committed. The reason for the decision will be briefly explained in the "Funding Commitment Decision," and amplification of that explanation may be offered in the section, "Funding Commitment Decision Explanation." An FRN may be "Not Funded" because the request does not comply with program rules or because the total amount of funds in the Universal Service Fund was insufficient to fund all requests.
3. An FRN that is "As Yet Unfunded" in an Applicant's Funding Commitment Decision Letter reflects a temporary status that is assigned to an FRN when the SLD is uncertain at the time the letter is generated whether there will be sufficient funds to make commitments for internal connections at a particular discount level. For example, if the application included requests for discounts on both telecommunications services and internal connections, the applicant might receive a letter with a funding commitment for their telecommunications funding requests and a message that their internal connections requests are "As Yet Unfunded." The funding decision on those internal connections requests will be included in a subsequent Funding Commitment Decision Letter.

CONTRACT NUMBER: The number of the contract between the eligible party and the service provider. This will be present only if a contract number was provided on Form 471.

SERVICES ORDERED: The type of service ordered from the service provider, as shown on Form 471.

SITE IDENTIFIER: The Entity Number listed in Form 471, Block 5, Item 22a will be listed. This will appear only for "site specific" FRNs.

BILLING ACCOUNT NUMBER: The account number that you have established with your customer for billing purposes. This will be present only if a Billing Account

Number was provided on Form 471.

ALLOWABLE VENDOR SELECTION / CONTRACT DATE: The earliest date the Applicant was permitted to sign a contract for services after posting a Form 470.

CONTRACT AWARD DATE: The date that the contract for this service was awarded.

EARLIEST POSSIBLE EFFECTIVE DATE OF DISCOUNT: The first possible date of service for which the SLD will reimburse service providers for the discounts for the service.

CONTRACT EXPIRATION DATE: The date the contract expires. This will be present only if a contract expiration date was provided on Form 471.

TOTAL ESTIMATED MONTHLY RECURRING CHARGES: Estimate of the total monthly charges for the recurring service.

PORTION OF TOTAL ESTIMATED MONTHLY RECURRING CHARGES THAT IS INELIGIBLE: Total charges associated with ANY ineligible services, entities, or uses included in the Total Estimated Monthly Charges for this service.

ELIGIBLE MONTHLY PRE-DISCOUNT AMOUNT FOR RECURRING CHARGES: Total Estimated Monthly Recurring Charges less the Portion of Total Estimated Monthly Recurring Charges that is Ineligible. The total amount of eligible charges approved under program.

NUMBER OF MONTHS RECURRING SERVICE PROVIDED IN PROGRAM YEAR: Number of months the service will be provided in the funding year.

ANNUAL PRE-DISCOUNT AMOUNT FOR ELIGIBLE RECURRING SERVICES: Eligible Monthly Pre-Discount Amount for Recurring Charges multiplied by Number of Months Recurring Service Provided in the funding year.

ANNUAL NON-RECURRING CHARGES: Estimate of the total amount of non-recurring (one time) pre-discount charges for this service.

PORTION OF ANNUAL NON-RECURRING CHARGES THAT IS INELIGIBLE: Total cost associated with ANY ineligible services, entities, or uses included in the Annual Non-Recurring Charges.

ANNUAL ELIGIBLE PRE-DISCOUNT AMOUNT FOR NON-RECURRING CHARGES: Annual Non-Recurring Charges less the Portion of Annual Non-Recurring Charges that is Ineligible. The total amount of eligible non-recurring charges requested under program.

TOTAL PROGRAM YEAR PRE-DISCOUNT AMOUNT: The total eligible recurring and non-recurring charges under the program for the funding year.

DISCOUNT PERCENTAGE APPROVED BY THE SLD: This is the discount rate that the SLD has approved for this service.

FUNDING COMMITMENT DECISION: This represents the total amount of funding that the SLD has reserved to reimburse service providers for the approved discounts for this service through the pertinent funding year service delivery date. It is important that you and the Form 471 Applicant both recognize that the SLD should be invoiced and the SLD may direct disbursement of discounts only for eligible, approved services actually delivered and installed.

FUNDING COMMITMENT DECISION EXPLANATION: This entry may amplify the comment in the "Funding Commitment Decision" area.

TECHNOLOGY PLAN APPROVAL STATUS: This indicates whether the technology plans of the entities included in the Form 471 application have received approval, are pending, or are not needed. Consortium applications may feature both "approved" and "pending approval" status. This is from Block 6, Item 27 of the Form 471 application.

WAVE NUMBER: The number of the grouped mailing in which the Applicant's Funding Commitment Decision Letter was included.

APPLICANT LETTER DATE: The date on the Applicant's Funding Commitment Decision Letter.

FUNDING COMMITMENT REPORT

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 596469
Form 471 Application Number: 245858
Form 470 Application Number: 854450000319343
Name of 471 Applicant: SOUTH BALTIMORE LEARNING CENTER
Applicant Street Address: 28 EAST OSTEND ST
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21230
Entity Number: 196460
Name of Contact Person: Jim Fragoneni
Preferred Mode of Contact: EMAIL
Contact Information: JFragoneni@aol.com
Funding Year: 07/01/2001 - 06/30/2002
Funding Status: Funded
Contract Number: MTM
Services Ordered: Internal Connections
Site Identifier: 196460
Billing Account Number: SOU-01
Allowable Vendor Selection/Contract Date: 01/01/2001
Contract Award Date: N/A
Earliest Possible Effective Date of Discount: 07/01/2001
Contract Expiration Date: 06/30/2002
Total Estimated Monthly Recurring Charges: \$900.00
Portion of Total Estimated Monthly Recurring Charges that is Ineligible: \$0.00
Eligible Monthly Pre-Discount Amount for Recurring Charges: \$900.00
Number of Months Recurring Service Provided in Program Year: 12
Annual Pre-Discount Amount for Eligible Recurring Services: \$10800.00
Annual Non-Recurring Charges: \$0.00
Portion of Annual Non-Recurring Charges that is Ineligible: \$0.00
Annual Eligible Pre-Discount Amount for Non-Recurring Charges: \$0.00
Total Program Year Pre-Discount Amount: \$10800.00
Applicant's Approved Discount Percentage: 90
Funding Commitment Decision: \$9720.00 - FRN approved as submitted
→ Technology Plan Approval Status: Approved
Wave Number: 004
Applicant Letter Date: 09/04/2001

FUNDING COMMITMENT REPORT

Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962

Funding Request Number: 599750
Form 471 Application Number: 246940
Form 470 Application Number: 426890000320929
Name of 471 Applicant: GHCC LITERACY PROGRAM
Applicant Street Address: 3501 NORTH CHARLES STREET
Applicant City: BALTIMORE
Applicant State: MD
Applicant Zip: 21218
Entity Number: 200317
Name of Contact Person: Office Manager
Preferred Mode of Contact: EMAIL
Contact Information: JFragomeni@aol.com
Funding Year: 07/01/2001 - 06/30/2002
Funding Status: Funded
Contract Number: MTM
Services Ordered: Internal Connections
Site Identifier: 200317
Billing Account Number: GHCC
Allowable Vendor Selection/Contract Date: 01/01/2001
Contract Award Date: N/A
Earliest Possible Effective Date of Discount: 07/01/2001
Contract Expiration Date: 06/30/2002
Total Estimated Monthly Recurring Charges: \$600.00
Portion of Total Estimated Monthly Recurring Charges that is Ineligible: \$0.00
Eligible Monthly Pre-Discount Amount for Recurring Charges: \$600.00
Number of Months Recurring Service Provided in Program Year: 12
Annual Pre-Discount Amount for Eligible Recurring Services: \$7200.00
Annual Non-Recurring Charges: \$0.00
Portion of Annual Non-Recurring Charges that is Ineligible: \$0.00
Annual Eligible Pre-Discount Amount for Non-Recurring Charges: \$0.00
Total Program Year Pre-Discount Amount: \$7200.00
Applicant's Approved Discount Percentage: 90
Funding Commitment Decision: \$6480.00 - ERN approved as submitted
→ Technology Plan Approval Status: Approved
Wave Number: 004
Applicant Letter Date: 09/04/2001



Universal Service Administrative Company
Schools & Libraries Division

FORM 486 NOTIFICATION LETTER
(Funding Year 4: 07/01/2001 - 06/30/2002)

EXHIBIT

5

November 21, 2001

TRG Networking
Denis Kelley
8422 Bellona Lane
Suite 102
Towson, MD 21204

Re: Service Provider Name: TRG Networking
Service Provider Identification Number: 143011962
Funding Year 4: 07/01/2001 - 06/30/2002

This letter is to notify you that the Schools and Libraries Division (SLD) of the Universal Service Administrative Company has received and accepted FCC Form(s) 486 (Receipt of Service Confirmation Form) from Billed Entities who filed FCC Form(s) 471 listing your company's Service Provider Identification Number (SPIN). You may begin to submit invoices to the SLD for the services covered by the Form(s) 486. You may submit invoices only after you have provided the service and billed the Applicant.

PURPOSE OF THIS FORM 486 NOTIFICATION LETTER

This "Form 486 Notification Letter" informs you that one or more Form(s) 486 listing your company as a service provider has been received by the SLD. As described in the "Explanation of Information Provided" below, this letter contains several important pieces of information from each such Form 486. In particular, the Form 486 notification letter sets forth the date that services included within a funding request began to be delivered to the Applicant or are expected to be delivered. (A Funding Request Number (FRN) is the number assigned to an Applicant's request for discounts on a set of services identified in a single page on the Form 471 application, Block 5.) This date is the earliest date for which services provided by your company are eligible for reimbursement of discounts from the SLD and the Universal Service Administrative Company (USAC) and for which invoices will be accepted by the SLD for discounts.

Please note that SLD encourages service providers to work with their customers to establish whether discounts will appear on bills or whether customers prefer a reimbursement process. SLD will process either reimbursements based on Form 472 (BEAR) or discounts based on Form 474 (SPIF) for a given FRN. For Funding Year 3 and beyond, once established, however, the selected process-SPIFs or BEARs-must be consistently used for the entire Funding Year.

NOTE: SLD will base the billing mode (reimbursement or discounting) on the first invoice type that it processes for payment. It is therefore imperative for the service provider and the customer to establish together the preferred invoicing mode.

ELECTRONIC FILING OF INVOICES

Service providers may invoice the SLD either by submitting the SLD Service Provider Invoice Form by mail or by filing electronically. SLD strongly encourages electronic invoicing for providers who will repeatedly bill the SLD. Below is a brief description of the process for electronic submissions.

1. Service providers should send, via E-mail, a message to serviceprovider@sl.universalservice.org (please note the "sl." prefix) indicating the E-mail address where they wish to receive electronic notification of funding commitments, receipt of Forms 471 filed, and future electronic versions of this Form 486 Notification Letter. The SLD will accept electronic invoices from multiple employees within a company. The electronic notification of receipt of the invoice file, and other electronic transmissions regarding each specific invoice file will be sent to the E-mail address contained within the filename of each specific electronic invoice file received.
2. Upon receipt of your E-mail indicating a desire to invoice the SLD electronically, SLD's invoice manager will send to you electronically information to establish an electronic invoicing relationship.
3. You will be required to obtain Pretty Good Privacy (PGP) Software in order to encrypt electronic invoice submissions prior to submission. Once installed, the service provider may use PGP to send and/or receive encrypted files.
4. The service provider will be instructed to create its Invoice Form in a comma delimited format, encrypt it using PGP, and send it as an E-mail attachment to an E-mail address which will be specified in the instruction materials.
5. The attachment will be received by the SLD, automatically decrypted via PGP and saved into a specific directory.
6. The file will then be processed by an in-house application that will check for errors.
7. Files successfully transmitted will be promptly validated and a message will be sent back to the originator stating that the invoice has been received. In the event of transmission or technical errors, an error report will be sent back to the originator with a list of all errors associated with the invoice. Once the errors have been corrected, the invoice should be resubmitted.

MANUAL FILING OF INVOICES

Service providers who wish to file their invoices manually may obtain FCC Form 474 (Service Provider Invoice Form) at the SLD web site, at www.sl.universalservice.org under SLD Forms (service provider forms can be found towards the bottom of the page) or by calling the SLD Client Service Bureau at 888-203-8100.

REVIEW OF INVOICES FOR COMPLIANCE WITH PROGRAM RULES

Once an invoice is in our system, it is reviewed (electronically and, in some cases, manually) for compliance with program rules. Applicants who submit BEARs or service providers who submit SPIFs may be contacted by our Program Integrity Assurance team to provide information in support of the invoice.